

# May 2025 Revenue Estimating Conference

May 5, 2025

## Additional Agency Questions and Responses

**Additional Agency Questions (CCU, DLT) [Agencies to provide written responses only, no testimony required unless follow-up requested by conferees]**

### Department of Revenue: Central Collections Unit

1. Please provide an update on the status of collections by the new Central Collections Unit. (DOR-CCU)
  - a. Please provide a summary of Traffic Tribunal receivables by year.
  - b. How much, if any, of the Traffic Tribunal receivables have previously been referred to outside collections services?

Please see below documents:



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FISCAL YEAR

2025

REVENUE ESTIMATING CONFERENCE – MAY 2025

Data as of 4/28/2025

## Background

The Central Collections Unit ("CCU") was established within the Department of Revenue by the General Assembly through Rhode Island Gen. Laws § 42-142-8, effective July 1, 2018, for the purpose of assisting state agencies in the collection of delinquent debts. These debts are made up of unpaid fines, fees, penalties, restitution, plus unpaid wages due from private entities to their former employees for violations of state wage laws—all of which have been levied upon individuals and entities by Rhode Island state agencies. CCU assists state agencies in the collection of these delinquent debts owed to the state utilizing the most efficient collection methods and adhering to the highest professional standards.

Pursuant to Rhode Island Gen. Laws § 42-142-8(p), the Department of Revenue shall "assess the performance, effectiveness, and revenue impact of the collections associated with [the Central Collections Unit] including, but not limited to, the total amounts referred and collected by [ or on behalf of] each referring agency during the previous state fiscal year.

## Outline

<b>Agency Executed Memoranda of Understanding</b>	<b>17</b>
<b>Delinquent Debt Collected by Fiscal Year</b>	
Fiscal Year 2019 (Jan -Jun)	\$103,039
Fiscal Year 2020	\$747,636
Fiscal Year 2021	\$2,175,317
Fiscal Year 2022	\$2,816,489
Fiscal Year 2023	\$2,762,769
Fiscal Year 2024	\$3,197,263
Fiscal Year 2025 (4/28/25)	\$2,928,668
<b>Total Collected</b>	<b>\$14,731,181</b>
<b>Total Litigated cases (active &amp; closed)</b>	<b>131</b>
<b>Total Collected from Litigated cases</b>	<b>\$113,966</b>
<b>Total Amount Collected from Wage Restitution Cases for Former Employees</b>	<b>\$553,534</b>

## Fiscal Year 2025

No.	Agency	Total Debt Referred	FY 2025 (4/28/25) - Total Collections
1	BOE - Rhode Island State Board of Elections	\$44,124	\$1,724
2	DBR CRB - Department of Business Regulation Contract Registration Board	\$1,234,806	\$10,566
3	DCYF - DCYF-Rhode Island Department of Children, Youth and Families	\$123,807	\$3,000
4	DEM - Rhode Island Department of Environmental Management	\$639,214	\$38,170
5	DLT - Rhode Island Department of Labor and Training	\$9,384,502	\$91,136
6	DMV - Rhode Island Department of Motor Vehicles	\$1,840,962	\$117,860
7	DOA - Rhode Island Department of Administration	\$211,668	\$17,015
8	DOH - Department of Health	\$4,650	\$0
9	DOR Tax - Rhode Island Department of Revenue, Division of Taxation	\$1,136,767	\$0
10	EOHHS - Executive Office of Health and Human Services	\$514,133	\$40,000
11	Ethics - Rhode Island Ethics Commission	\$152,649	\$820
12	RICHR - Rhode Island Commission for Human Rights	\$18,800	\$0
13	RIPTA - Rhode Island Public Transportation Authority	\$19,938	\$1,500
14	RISP - Rhode Island State Police	\$401,925	\$0
15	RITBA - RI Turnpike & Bridge Authority	\$3,444,596	\$93,078
16	RITT - Rhode Island Traffic Tribunal	\$49,518,163	\$2,513,672
17	SOS - Secretary of State	\$4,509	\$127
	<b>Total</b>	<b>\$68,695,212</b>	<b>\$2,928,668</b>

Data as of 4/28/2025

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## Collections by Agency and Fiscal Year (FY 2019, 2020 & 2021 – separate slide)

Agency	Total Debt Referred	FY 2022 - Collections	FY 2023 - Collections	FY 2024 - Collections	FY 2025 (4/28/25) - Collections	Total Debt Collected	% of collections (Collect / Referred)
BOE - Rhode Island State Board of Elections	\$44,124	\$1,125	\$1,000	\$3,522	\$1,724	\$7,371	16.71%
DBR CRB - Department of Business Regulation Contract Registration Board	\$1,234,806	\$31,981	\$39,749	\$19,125	\$10,566	\$101,421	8.21%
DCYF - DCYF-Rhode Island Department of Children, Youth and Families	\$123,807	\$0	\$0	\$0	\$3,000	\$3,000	2.42%
DEM - Rhode Island Department of Environmental Management	\$639,214	\$84,738	\$19,519	\$39,867	\$38,170	\$182,294	28.52%
DLT - Rhode Island Department of Labor and Training	\$9,384,502	\$172,416	\$118,309	\$273,516	\$91,136	\$655,377	6.98%
DMV - Rhode Island Department of Motor Vehicles	\$1,840,962	\$127,057	\$119,564	\$176,058	\$117,860	\$540,539	29.36%
DOA - Rhode Island Department of Administration	\$211,668	\$2,627	\$2,030	\$8,868	\$17,015	\$30,540	14.43%
DOH - Department of Health	\$4,650	\$0	\$1,018	\$0	\$0	\$1,018	21.89%
DOR Tax - Rhode Island Department of Revenue, Division of Taxation	\$1,136,767	\$0	\$0	\$0	\$0	\$0	0.00%
EOHHS - Executive Office of Health and Human Services	\$514,133	\$152,121	\$148,658	\$25,642	\$40,000	\$366,421	71.27%
Ethics - Rhode Island Ethics Commission	\$152,649	\$1,286	\$1,000	\$1,100	\$820	\$4,206	2.76%
RICHR - Rhode Island Commission for Human Rights	\$18,800	\$0	\$0	\$0	\$0	\$0	0.00%
RIPTA - Rhode Island Public Transportation Authority	\$19,938	\$0	\$0	\$0	\$1,500	\$1,500	7.52%
RISP - Rhode Island State Police	\$401,925	\$0	\$0	\$0	\$0	\$0	0.00%
RITBA - RI Turnpike & Bridge Authority	\$3,444,596	\$2,330	\$15,543	\$80,467	\$93,078	\$191,418	5.56%
RITT - Rhode Island Traffic Tribunal	\$49,518,163	\$2,240,806	\$2,296,381	\$2,569,097	\$2,513,672	\$9,619,956	19.43%
SOS - Secretary of State	\$4,509	\$0	\$0	\$0	\$127	\$127	2.82%
	<b>\$68,695,212</b>	<b>\$2,816,487</b>	<b>\$2,762,771</b>	<b>\$3,197,262</b>	<b>\$2,928,668</b>	<b>\$11,705,188</b>	<b>17.04%</b>

Data as of 4/28/2025

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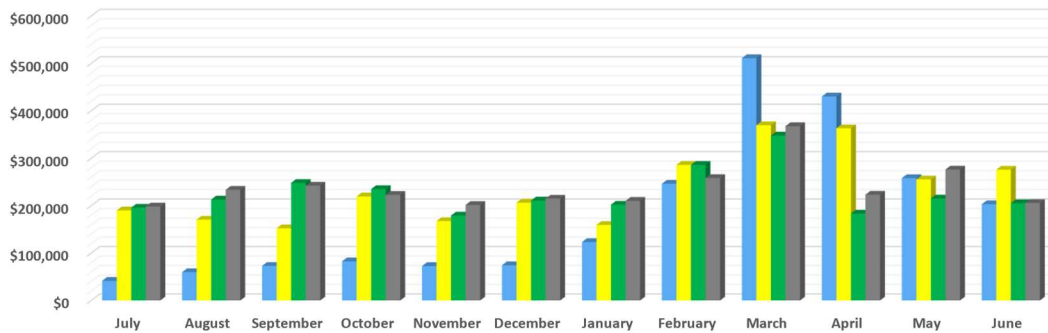
Month	FY 2022	FY 2023	FY 2024	FY 2025 (4/28/25)	Monthly Avg.
July	\$190,019	\$195,948	\$223,219	\$227,716	\$209,225
August	\$170,574	\$212,919	\$260,703	\$242,648	\$221,711
September	\$152,292	\$248,129	\$261,407	\$222,672	\$221,125
October	\$219,501	\$235,164	\$250,483	\$271,557	\$244,176
November	\$167,490	\$181,082	\$225,328	\$288,774	\$215,669
December	\$206,351	\$211,141	\$237,557	\$227,924	\$220,743
January	\$159,392	\$202,878	\$237,351	\$313,931	\$228,388
February	\$287,024	\$287,419	\$312,471	\$325,911	\$303,206
March	\$369,509	\$350,286	\$409,805	\$430,012	\$389,903
April	\$363,119	\$185,061	\$233,932	\$377,523	\$289,909
May	\$255,290	\$230,093	\$313,248	\$0	\$199,658
June	\$275,930	\$222,650	\$231,759	\$0	\$182,584
<b>Total</b>	<b>\$2,816,489</b>	<b>\$2,762,769</b>	<b>\$3,197,263</b>	<b>\$2,928,668</b>	

Data as of 4/28/2025

FY 2022		FY 2023		FY 2024		FY 2025 (Jul-Apr 28)	
Min.	Max	Min.	Max	Min.	Max	Min.	Max
September	March	November	March	July	March	October	August
\$152,292	\$369,509	\$181,082	\$350,286	\$223,219	\$409,805	\$222,672	\$430,012

**Collections by month**

■ FY 2022 ■ FY 2023 ■ FY 2024 ■ FY 2025 (3/31/25)



Data as of 4/28/2025

## Agency Funds Distribution

Agency	FY 25 (4/28/25) Collections	Fund Desc.	Distribution %
BOE - Rhode Island State Board of Elections	\$1,724	General Revenue	100%
DBR CRB - Department of Business Regulation Contract Registration Board	\$10,566	Restricted Receipts	100%
DCYF - DCYF-Rhode Island Department of Children, Youth and Families	\$3,000	Other Funds	100%
DEM - Rhode Island Department of Environmental Management	\$38,170	General Revenue	100%
DLT - Rhode Island Department of Labor and Training	\$91,136	General Revenue	100%
DMV - Rhode Island Department of Motor Vehicles	\$117,860	General Revenue	100%
DOA - Rhode Island Department of Administration	\$17,015	Other Funds	100%
DOH - Department of Health	\$0	Restricted Receipts	100%
DOR Tax - Rhode Island Department of Revenue, Division of Taxation	\$0	General Revenue	100%
EOHHS - Executive Office of Health and Human Services	\$40,000	General Revenue	100%
Ethics - Rhode Island Ethics Commission	\$820	General Revenue	100%
RICHR - Rhode Island Commission for Human Rights	\$0	General Revenue	100%
RIPTA - Rhode Island Public Transportation Authority	\$1,500	Other Funds	100%
RISP - Rhode Island State Police	\$0		
RITBA - RI Turnpike & Bridge Authority	\$93,078	Other Funds	100%
SOS - Secretary of State	\$127	General Revenue	100%
<b>RITT - Rhode Island Traffic Tribunal</b>	<b>\$2,513,672</b>		
RITT Distribution Fund 1	\$1,834,981	General Revenue	73%
RITT Distribution Fund 2	\$553,008	Restricted Receipts	22%
RITT Distribution Fund 2	\$125,684	Other Funds	5%
<b>Total FY 2025 (10/28/24) Collections</b>	<b>\$2,928,668</b>		

Data as of 4/28/2025

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## RITT – Receivables

- The information contained on the chart was gleaned from the citations that were referred by RITT to CCU
- The chart reflects all the receivables referred by RITT to CCU
- As of October 18, 2024, collection letters have been sent primarily to businesses for the period 2000 through 2024
- Collection letters have been sent to individuals for the period 2001 through 2024

Disposition Date by Calendar Year	Total Debt Referred	Total Collections	No. of Tickets
Unknown date	\$1,205,873	\$183,525	1,946
Prior to 2000	\$12,828	\$10,554	100
2000 - 2004	\$3,981,997	\$38,097	11,909
2005 - 2009	\$4,878,400	\$208,845	14,171
2010 - 2014	\$5,197,403	\$10,357	13,805
2015 - 2019	\$10,391,050	\$819,911	27,391
2020 - 2023	\$17,856,322	\$5,467,256	55,477
2024 - 2025	\$5,994,292	\$1,242,872	18,897
<b>Total</b>	<b>\$49,518,165</b>	<b>\$7,981,417</b>	<b>143,696</b>

Disposition date – date Rhode Island Traffic Tribunal (court) makes a final ruling in the case 10

## RITT – Outside collection services

How much, if any, of Traffic Tribunal receivables have previously been referred to outside collection services? In researching a response to this question, the CCU has spoken to representatives of the RITT, the Supreme Court Administrator and the Supreme Court’s Assistant Administrator for Finance and Budget.

- The Traffic Tribunal was established in 1999, pursuant to Rhode Island Gen. Laws Chapter 8-8.2
- The Traffic Tribunal, as currently constituted, has never retained an outside collection agency and the referrals recently made to the CCU are the first time the Traffic Tribunal has referred its debts to an outside entity for collection
- The Administrative Adjudicative Court was extinguished in 1999
- The Supreme Court’s Assistant Administrator for Finance and Budget recalls that the Administrative Adjudicative Court retained an outside collection agency many years ago, but there is no documentation that can be found concerning any interactions between the Administrative Adjudicative Court and that collection agency

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Agency	Total Debt Referred	FY 2019 - Collections	FY 2020 - Collections	FY 2021 - Collections
BOE - Rhode Island State Board of Elections	\$44,124	\$0	\$2,362	\$1,052
DBR CRB - Department of Business Regulation Contract Registration Board	\$1,234,806	\$0	\$0	\$1,350
DCYF - DCYF-Rhode Island Department of Children, Youth and Families	\$123,807	\$0	\$0	\$0
DEM - Rhode Island Department of Environmental Management	\$639,214	\$10,670	\$79,099	\$54,403
DLT - Rhode Island Department of Labor and Training	\$9,384,502	\$90,939	\$541,194	\$129,017
DMV - Rhode Island Department of Motor Vehicles	\$1,840,962	\$0	\$23,801	\$112,923
DOA - Rhode Island Department of Administration	\$211,668	\$0	\$8,875	\$5,268
DOH - Department of Health	\$4,650	\$0	\$801	\$1,500
DOR Tax - Rhode Island Department of Revenue, Division of Taxation	\$1,136,767	\$0	\$16,243	\$0
EOHHS - Executive Office of Health and Human Services	\$514,133	\$0	\$0	\$110,843
Ethics - Rhode Island Ethics Commission	\$152,649	\$1,430	\$8,035	\$1,145
RICHR - Rhode Island Commission for Human Rights	\$18,800	\$0	\$3,000	\$0
RIPTA - Rhode Island Public Transportation Authority	\$19,938	\$0	\$0	\$0
RISP - Rhode Island State Police	\$401,925	\$0	\$0	\$0
RITBA - RI Turnpike & Bridge Authority	\$3,444,596	\$0	\$0	\$0
RITT - Rhode Island Traffic Tribunal	\$49,518,163	\$0	\$63,302	\$1,757,816
SOS - Secretary of State	\$4,509	\$0	\$925	\$0
	<b>\$68,695,212</b>	<b>\$103,039</b>	<b>\$747,637</b>	<b>\$2,175,317</b>

### Department of Labor and Training

1. Please provide an update on the status of the misclassification task force and collections stemming from its work. (DLT-Employer Tax)

### RESPONSE:

**FY2025 (7/1/24 - 4/30/25)  
Completed Employer Tax Audits**

Audit Type	# of Audits	# of Individuals Misclassified	Under Reported Wages	Tax, Interest & Penalty
Task Force Audits	24	255	2,640,752.43	58,256.07
Verification/Request Audits	466	550	10,139,848.77	315,848.55
<b>Totals</b>	<b>490</b>	<b>805</b>	<b>12,780,601.20</b>	<b>374,104.62</b>

**FY2024 (7/1/23 - 6/30/24)  
Completed Employer Tax  
Audits**

Audit Type	# of Audits	# of Individuals Misclassified	Under Reported Wages	Tax, Interest & Penalty
Task Force Audits	43	323	4,314,782.50	133,893.97
Verification/Request Audits	696	730	10,805,723.67	446,965.74
Totals	739	1053	15,120,506.17	580,859.71